

HOUSE BILL 1916

By McCord

SENATE BILL

AN ACT to encourage the redevelopment of brownfield properties and to amend Tennessee Code Annotated, Title 68, Chapter 212, Part 2.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated Section 68-212-202 is amended by adding, in the following new definition:

“Brownfield Redevelopment Project” is the screening, investigation, monitoring, control and/or remediation of any abandoned, idled, under-utilized, or other property whose re-use, growth, enhancement or redevelopment is complicated by real or perceived adverse environmental conditions. A brownfield redevelopment project may or may not be an inactive hazardous substance site.

SECTION 2. Tennessee Code Annotated Section 68-212-213 is amended by adding a new section (1) as follows and renumbering the existing sections.

(1) Fails, neglects, or refuses to comply with a land use restriction filed pursuant to Section 68-212-225; or

SECTION 3. Tennessee Code Annotated Section 68-212-224(a) is amended by deleting the existing language and substituting the following:

(a) (1) There is hereby established a voluntary cleanup oversight and assistance program for the voluntary cleanup of inactive hazardous substance sites, solid waste disposal sites and brownfield redevelopment projects. The commissioner may enter into voluntary agreements or consent orders for the investigation and/or remediation of such sites or projects with any willing and able person. Such voluntary agreements or consent orders shall outline the agreed upon investigation, remediation, monitoring, and/or maintenance. All such voluntary agreements or consent orders may provide for the reimbursement of the department's oversight cost. These

agreements shall not limit liability for contamination of a site occurring after the date of the voluntary agreement or consent order or for contamination not identified and addressed in the voluntary agreement or consent order. No such voluntary agreement or consent order shall be entered into concerning a site listed on the federal National Priorities List without the concurrence of the United States Environmental Protection Agency.

(2) For inactive hazardous substance sites, the commissioner has the discretion and is authorized to establish an apportionment of liability consistent with § 68-212-207(b) in a voluntary agreement or consent order. Further, the commissioner may limit the liability of a participant(s) in any voluntary agreement or consent order entered into pursuant to this section. Such a voluntary agreement or consent order may limit the participant's liability to the obligations set forth therein and exempt the participant(s) from any further liability under any statute administered by the department for investigation, remediation, monitoring, and/or maintenance of contamination identified and addressed in the voluntary agreement or consent order. The commissioner may extend this liability protection to successors in interest or in title to the participant(s), contractors conducting response actions at the site, developers, future owners, tenants, and lenders, fiduciaries or insurers, conditioned upon performance of the voluntary agreement or consent order and compliance with any land use restrictions required thereby.

(3) A person who enters into a voluntary agreement or consent order with the commissioner that contains an apportionment or limitation of liability pursuant to this section shall not be liable to third parties for contribution regarding matters addressed in the voluntary agreement or consent order, provided that the third party was given actual or constructive notice of the voluntary agreement or consent order and the third party had an actual or constructive opportunity to comment upon the voluntary agreement or consent order. Constructive notice may be accomplished by, among other means, publishing a summary of the voluntary agreement or consent order in a newspaper circulated within the geographical area of the site or project at least thirty (30) days prior to the effective date of the agreement or order. For inactive hazardous substance sites such voluntary agreements or consent orders shall constitute an approved administrative settlement pursuant to 42 U.S.C. § 9613(f)(2) and (3). Except in an action to enforce a voluntary agreement or consent order, such agreement or order shall not be admissible as evidence, in any suit, hearing or other proceeding, against a person who received liability protection pursuant to this section.

SECTION 4. Tennessee Code Annotated Section 68-212-224 (b) is amended by adding the following after the existing language:

The commissioner may waive any part, or all, of this fee if the commissioner determines that such waiver serves the public welfare.

SECTION 5. Tennessee Code Annotated Section 68-212-224 (f) is amended by deleting the existing language and substituting the following:

(f) In the event a person does not fulfill all the requirements established in a voluntary agreement or consent order, the commissioner may seek to enforce the voluntary agreement or consent order through any legal remedy.

SECTION 6. Tennessee Code Annotated Section 68-212-224 (g) is amended by deleting the existing language and substituting the following:

(g) Upon completion of all terms and conditions of a voluntary agreement or consent order under this program, the commissioner shall issue a letter to the participant(s) stating that the obligations under the voluntary agreement or consent order have been completed and, if appropriate, that no further action will be required of the participant(s).

SECTION 7. Tennessee Code Annotated Section 68-212-224 (h) is amended by deleting the existing language.

SECTION 8. Tennessee Code Annotated Title 68, Chapter 212, Part 2 is amended by adding the following new section 68-212-225:

(a) Upon a determination by the commissioner that land use restrictions are an appropriate remedial action at any remediation, containment, cleanup, closure or brownfield redevelopment project, the commissioner may either:

(1) order the owner(s) of the site to file or permit the filing of; or

(2) with the consent of the owner(s) of the site, or upon an order issued pursuant to (a)(1) above becoming final, file or cause to be filed;

a Notice of Land Use Restrictions in the register of deeds office in the appropriate county(s).

(b) Such a Notice of Land Use Restrictions shall be entitled “Notice of Land Use Restrictions, ” and shall:

(1) include a legal description of the site that would be sufficient as a description of the property in an instrument of conveyance;

(2) identify the location and dimensions of the areas of potential environmental concern with respect to surveyed, permanent benchmarks. Where a site encompasses more than one parcel or tract of land, a composite map or plat showing all parcels or tracts may be recorded;

(3) identify generally the type, location, and quantity of regulated hazardous substances and regulated substances known to exist on the site; and

(4) identify specific restrictions on the current or future use of the site.

(c) Land use restrictions may apply to activities on, over, or under the land, including, but not limited to, use of property, use of groundwater, building, filling, grading, excavating, and mining.

(d) The register of deeds shall record the notice and index it in the grantor index under the names of the owners of the land.

(e) A Notice of Land Use Restrictions filed pursuant to this section may be made less stringent or canceled by the commissioner if the hazards have changed or have been eliminated. If requested in writing by the owner of the land and if the commissioner concurs with the request, the commissioner shall send to the register of deeds of each county where the notice is recorded a statement that the hazards have changed or been eliminated. The commissioner's statement shall contain the names of the owners of the land as shown in the notice and reference the plat book and page where the notice is recorded. The register of deeds shall record the commissioner's statement in the deed books and index it on the grantor index in the names of the owners of the land as shown in the Notice of Land Use Restrictions and on the grantee index in the name "Commissioner of the Department of Environment and Conservation."

(f) Any land use restriction filed pursuant to this section may be enforced by any owner of the land. The commissioner through issuance of an Order or by means of a civil action, including one to obtain an injunction against present or threatened violations of the restriction, may also enforce any such land use restriction. A land use restriction may also be enforced by any unit of local government having jurisdiction over any part of the subject property, by means of a civil action without the unit of local government having first exhausted any available administrative remedy. Any person eligible for liability protection under an agreement entered into pursuant to this Act may also enforce a land use restriction. A land use restriction shall not be declared unenforceable due to lack of privity of estate or contract, due to lack of benefit to particular land, or due to lack of any property interest in particular land. Any person who owns or leases a property subject to a land use restriction under this section shall abide by the land use restriction.

SECTION 9. Tennessee Code Annotated Title 68, Chapter 212, Part 2 is amended by adding the following new section 68-212-225:

From any federal funds available to the department and any state funds used as a match to obtain those federal funds, the commissioner may, in his discretion, provide grants and/or loans to municipalities, counties and/or other governmental instrumentalities to conduct screening, investigation, remediation, containment, cleanup and/or closure of inactive hazardous substance sites, solid waste disposal sites or brownfield redevelopment projects under the authority of any statute administered by the department.

SECTION 10. This Act shall take effect July 1, 2001, the public welfare requiring it.